

Financial Statements of

**ALBERTA CANCER
FOUNDATION**

And Independent Auditor's Report thereon

Year ended March 31, 2026



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INDEPENDENT AUDITOR'S REPORT

To the Trustees of Alberta Cancer Foundation

Opinion

We have audited the financial statements of Alberta Cancer Foundation (the Entity), which comprise:

- the statement of financial position as at March 31, 2026
- the statement of operations and changes in fund balances for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2026, and its results of operations, its remeasurement of gains and losses, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor’s Responsibilities for the Audit of the Financial Statements***” section of our auditor’s report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditor’s report thereon, included in a document likely to be entitled “2026 Report To Our Donors ”.



Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

The information, other than the financial statements and auditors' report thereon, included in a document likely to be entitled "2026 Report To Our Donors" is expected to be made available to us after the date of this auditors' report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly wavy line that extends to the right.

Chartered Professional Accountants

Edmonton, Canada

May 28, 2026

ALBERTA CANCER FOUNDATION

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ALBERTA CANCER FOUNDATION

Statement of Financial Position

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Assets		
Current assets:		
Cash	\$ 10,285,122	\$ 8,720,644
Restricted cash (note 3)	10,296,666	7,611,365
Accounts receivable and prepaid expenses (note 5)	1,437,323	3,059,521
Pledges receivable (note 4)	1,360,000	1,360,000
Short-term investments (note 5)	6,000,000	34,000,000
	<u>29,379,111</u>	<u>54,751,530</u>
Long-term investments (note 5)	273,187,890	253,433,147
Capital assets (note 6)	99,250	1,793,593
	<u>\$ 302,666,251</u>	<u>\$ 309,978,270</u>

Liabilities and Fund Balances

Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,128,177	\$ 6,718,615
Due to related parties (note 11)	3,282,423	676,788
Deferred revenue and deposits	537,920	348,500
Amounts held as an Agent for third parties (notes 3 and 7)	2,526,796	-
	<u>8,475,316</u>	<u>7,743,903</u>
Fund balances (note 8):		
Unrestricted Fund	4,673,499	3,684,338
Externally Restricted Fund	147,882,909	155,935,813
Internally Restricted Fund	59,236,045	54,599,433
Endowment Fund	88,717,924	89,391,181
Capital Asset Fund	99,250	1,793,593
	<u>300,609,627</u>	<u>305,404,358</u>
Accumulated remeasurement losses	(6,418,692)	(3,169,991)
	<u>294,190,935</u>	<u>302,234,367</u>
Future charitable disbursements (note 12)		
Commitments (note 13)		
	<u>\$ 302,666,251</u>	<u>\$ 309,978,270</u>


See accompanying notes to the financial statements.

Approved on behalf of the Board of Trustees:



Max Chan
Board Chair, Alberta Cancer Foundation

Trustee



Scott Budau
Chair, Audit & Finance Committee

Trustee

ALBERTA CANCER FOUNDATION

Statement of Operations and Changes in Fund Balances

Year ended March 31, 2026, with comparative information for 2025

	Unrestricted Fund	Externally Restricted Fund	Internally Restricted Fund	Endowment Fund	Capital Asset Fund	2026	2025
Revenues:							
Donations and contributions	\$ 10,317,842	\$ 23,570,923	\$ -	\$ 157,367	\$ -	\$ 34,046,132	\$ 29,150,518
Campaign donations and contributions	-	11,990,466	-	-	-	11,990,466	30,308,614
Sponsorships and registrations	11,000	2,106,625	-	6,500	-	2,124,125	1,584,608
Lottery (note 9)	-	10,868,375	-	-	-	10,868,375	10,236,225
Grants	-	-	-	-	-	-	75,000
Management fees (note 7)	-	495,000	-	-	-	495,000	-
Investment and other income (note 10)	7,269,734	7,258,225	-	-	-	14,527,959	34,338,808
	17,598,576	56,289,614	-	163,867	-	74,052,057	105,693,773
Expenditures:							
Direct fundraising costs	9,084,854	6,073,901	-	-	252	15,159,007	11,429,588
Lottery (note 9)	-	7,389,916	-	-	-	7,389,916	7,201,867
Foundation operations	5,894,244	272,261	-	-	60,339	6,226,844	6,394,573
	14,979,098	13,736,078	-	-	60,591	28,775,767	25,026,028
Excess of revenues over expenditures before disbursements							
	2,619,478	42,553,536	-	163,867	(60,591)	45,276,290	80,667,745
Charitable disbursements (notes 11 and 12):							
Core programs	-	8,388,776	-	-	-	8,388,776	7,381,404
Other cancer care and research	2,500	40,587,632	-	-	-	40,590,132	47,803,210
Charitable expense	816,671	275,442	-	-	-	1,092,113	1,228,740
	819,171	49,251,850	-	-	-	50,071,021	56,413,354
Excess (deficiency) of revenues over expenditures before transfers							
	1,800,307	(6,698,314)	-	163,867	(60,591)	(4,794,731)	24,254,391
Interfund transfers							
	(811,146)	(1,354,590)	4,636,612	(837,124)	(1,633,752)	-	-
Excess (deficiency) of revenues over expenditures							
	989,161	(8,052,904)	4,636,612	(673,257)	(1,694,343)	(4,794,731)	24,254,391
Fund balances, beginning of year							
	3,684,338	155,935,813	54,599,433	89,391,181	1,793,593	305,404,358	281,149,967
Fund balances, end of year							
	\$ 4,673,499	\$ 147,882,909	\$ 59,236,045	\$ 88,717,924	\$ 99,250	\$ 300,609,627	\$ 305,404,358

See accompanying notes to the financial statements.

ALBERTA CANCER FOUNDATION

Statement of Remeasurement Gains and Losses

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Accumulated remeasurement gains (losses), beginning of year	\$ (3,169,991)	\$ 13,962,028
Unrealized gains (losses) attributable to investments	(3,404,436)	1,011,084
Realized losses (gains) reclassified to the statement of operations (note 10)	155,735	(18,143,103)
Accumulated remeasurement losses, end of year	\$ (6,418,692)	\$ (3,169,991)

See accompanying notes to the financial statements.

ALBERTA CANCER FOUNDATION

Statement of Cash Flows

Year ended March 31, 2026, with comparative information for 2025

	2026	2025
Cash generated from (used by):		
Operating activities:		
Excess (deficiency) of revenues over expenditures	\$ (4,794,731)	\$ 24,254,391
Items not involving cash:		
Realized gains on disposal of investments, net	(458,426)	(22,153,358)
Donated investments	(4,867,759)	(15,905,352)
Amortization of capital assets	60,592	71,733
Loss on derecognition of capital asset (note 6)	1,633,752	-
Change in non-cash operating working capital accounts:		
Accounts receivable and prepaid expenses	1,622,200	1,014,534
Pledges receivable	-	25,757,466
Accounts payable and accrued liabilities	(4,590,441)	6,161,444
Due to related parties	2,605,635	(10,806)
Deferred revenue and deposits	189,421	(423,251)
Amounts held as an Agent for third parties	2,526,796	-
Cash generated (used), operating activities	(6,072,961)	18,766,801
Investing and financing activities:		
Purchases of portfolio investments	(112,667,342)	(233,652,498)
Disposals of portfolio investments	88,972,602	159,889,291
Purchases of guaranteed investment certificates	(4,000,000)	(123,000,000)
Maturity of guaranteed investment certificates	38,000,000	187,800,000
Purchase of capital assets	-	(1,149,868)
Disposals (purchases) of other investments	17,480	(33,040)
Cash generated (used), investing and financing activities	10,322,740	(10,146,115)
Increase in cash during the year	4,249,779	8,620,686
Cash, beginning of year	16,332,009	7,711,323
Cash, end of year	\$ 20,581,788	\$ 16,332,009
Cash position consists of:		
Cash	\$ 10,285,122	\$ 8,720,644
Restricted cash	10,296,666	7,611,365
	\$ 20,581,788	\$ 16,332,009

See accompanying notes to the financial statements.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements

Year ended March 31, 2026

1. Authority and purpose:

The Alberta Cancer Foundation (the “Foundation”) operates under the Provincial Health Agencies Act, is subject to the requirements of the Charitable Fundraising Act and is registered with the Canada Revenue Agency (CRA) as a charitable foundation.

The Foundation receives donations, raises funds and provides funding for cancer research, the prevention, detection and diagnosis of cancer, and for the treatment and care of cancer patients. The Foundation has a provincial office located in Edmonton and offices at the Cross Cancer Institute in Edmonton, Arthur J.E. Child Comprehensive Cancer Centre and the Foothills Professional Building in Calgary.

2. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards (“PSAS”), including the 4200 series of standards for government not-for-profit organizations.

Future Changes in Accounting Standards:

As a result of new provincial regulations enacted in December 2025 that modified the Foundation’s governance and control structure, the Foundation anticipates that it will no longer meet the definition of a government-controlled entity for financial reporting purposes in future periods. Accordingly, effective April 1, 2026, the Foundation, subject to meeting certain criteria (note 2(k)), expects to adopt Accounting Standards for Not-for-Profit Organizations (“ASNPO”) as issued by CPA Canada.

Management is currently evaluating the impact of this change on the financial statements. Based on a preliminary assessment, the impact is expected to be minimal, with the primary effects being the elimination of the Statement of Remeasurement Gains and Losses and the reclassification of accumulated remeasurement gains and losses into net income. If it is determined that the Foundation meets the requirements to adopt ASNPO, it will apply ASNPO Section 1501, First time Adoption by Not for Profit Organizations upon transition.

Reporting under PSAS is a significant judgement in these financial statements (note 2 (k)).

(a) Fund accounting:

The Foundation follows the restricted fund method of accounting for contributions. For financial reporting purposes, the accounts have been classified into the following funds:

- (i) the Unrestricted Fund - consists of contributions and investment income upon which the donors or the Board of Trustees (the “Trustees”) have imposed no restrictions. Unrestricted funds are available for immediate purposes, including the Foundation’s general fundraising and administrative expenses.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

2. Significant accounting policies (continued):

(a) Fund accounting (continued):

- (ii) the Externally Restricted Fund - consists of funds whose resources are to be used for an identified purpose as specified by the donor or other external parties. The Externally Restricted Fund additionally accounts for external endowment expendable.
- (iii) the Internally Restricted Fund - consists of funds upon which the Trustees have imposed restrictions. These funds represent donations and income that were initially unrestricted which the Trustees have restricted for identified purposes.
- (iv) the Endowment Fund - consists of funds whereby the donor requires that the principal investment, and any additional capitalized investment income, be maintained by the Foundation on a permanent or term basis, as determined in accordance with the relevant donor agreement. Investment income earned on endowed funds is recorded in the Externally Restricted Fund.
- (v) the Capital Asset Fund - reports the revenues and expenditures related to the Foundation's capital assets.

(b) Revenue recognition:

- (i) Unrestricted contributions are recognized as revenue in the Unrestricted Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
- (ii) Externally restricted contributions, other than endowment contributions, are recognized as revenue in the Externally Restricted Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions can only be used for the purposes designated by external parties.
- (iii) Endowment contributions are recognized in the Endowment Fund as revenue when received or receivable.
- (iv) Investment income earned on amounts restricted for endowments must be spent on restricted purposes and is recognized as revenue in the Externally Restricted Fund. Other investment income is recognized as revenue in the Unrestricted Fund when earned.
- (v) Donations and contributions in kind are recorded at fair value at the date of contribution when such value can be reasonably estimated.

Volunteers contribute a significant amount of time each year to assist the Foundation in carrying out its programs and services. Due to the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

2. Significant accounting policies (continued):

(b) Revenue recognition (continued):

(vi) Interfund transfers relate to internally imposed requirements as directed by the Trustees or changes in the designation of funds as directed by the donor.

(vii) Agent versus Principal:

The Foundation is considered to be acting as a Principal when it has the authority to control the donations provided, bears the related risks and rewards, and is primarily responsible for fulfilling the obligation to provide the relevant donations or services. The Foundation is considered to be acting as an Agent when, in balancing all factors, it does not control the donations provided, does not bear the primary risks and rewards of ownership, and its role is limited to arranging for the provision of funding on behalf of another party.

In arrangements where the Foundation acts as the Principal, amounts received are recognized as revenue on a gross basis in line with the revenue recognition requirements of the relevant Fund. However, in arrangements where the Foundation acts as an Agent, amounts received are not recognized as revenue but are recorded as liabilities until disbursed in accordance with the terms of the arrangement. Only fees or cost recoveries earned by the Foundation in its role as an Agent are recognized as revenue.

Management fees related to funding agreements whereby the Foundation acts as the Agent and are recognized as revenue when the related administrative services are performed and the amount can be reasonably measured.

The Agent vs. Principal determination is a significant judgement in these financial statements (note 2 (k)).

(c) Pledges receivable and payable:

Pledges receivable are recognized as revenue when the amount to be received can be reasonably estimated and when collection is reasonably assured. For multi-year pledges, the Foundation's policy is to recognize revenue only for amounts committed in the next fiscal year, provided collectability remains reasonably assured.

Pledges payable are recognized in the period in which the Foundation becomes contractually committed to making the disbursement.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

2. Significant accounting policies (continued):

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided on a straight-line basis over the useful lives of the assets as follows and is reported in the Capital Asset Fund:

Leasehold improvements	over the initial lease term
Furniture, Equipment and Donor Recognition	3 and 10 years

Software is an intangible asset recorded within capital assets. Software is amortized straight-line over five years. The Foundation has applied the practical expedient under *Accounting Guideline 20 - Customer's accounting for cloud computing arrangements* and has chosen to expense all costs related to the implementation of cloud computing software.

Capital assets under development are not amortized. Capital assets are tested for impairment if there are events or circumstances that would indicate that the carrying amount of an asset may exceed its fair value. An impairment loss is measured as the amount by which the asset's carrying value exceeds its fair value.

(e) Deferred revenue and deposits:

Revenue and deposits related to fundraising events that will take place subsequent to year-end are deferred. These deferred amounts are recognized in the period when the respective fundraising events are held.

(f) Financial instruments:

All financial instruments held by the Foundation are initially recognized on the statement of financial position at their fair value. Subsequent to their initial recognition, all financial instruments are recorded at amortized cost using the effective interest rate method, with the exception of investments quoted in an active market which are carried at fair value. Investments in entities where there is no active market are recorded under the cost method.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed when incurred. All other financial instruments are adjusted by transaction costs on acquisition.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized amount is adjusted through the statement of remeasurement gains and losses.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

2. Significant accounting policies (continued):

(f) Financial instruments:

The Foundation classifies its financial instruments measured at fair value using the following three-level hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborative inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

(g) Foreign currency:

Foreign currency transactions are recorded at the exchange rate at the time of the transaction. Monetary items denominated in foreign currencies are translated into Canadian dollars at exchange rates in effect at the statement of financial position date and non-monetary items are translated at the rates of exchange in effect when the assets were acquired or the obligations incurred.

(h) Charitable disbursements:

Disbursements are provided annually for the funding of research, infrastructure, special equipment, psychosocial care, palliative care, and patient education and comfort. Disbursements are recognized as expenses when the funds have become payable by the Foundation.

(i) Related party transactions:

Transactions with related parties are recorded at exchange amounts being the amount of consideration agreed to by the parties. All unallocated costs, comprising materials and services contributed by related parties in support of the Foundation's operations are not recognized in the financial statements.

(j) Accounting standards adopted:

No new accounting standards were adopted in the current year.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

2. Significant accounting policies (continued):

(k) Critical judgements and measurement uncertainty:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates and judgements.

Significant estimates and judgements made in these financial statements include:

- recognizing future pledges as revenue, ensuring they meet the criteria for recognition, including virtual certainty of collectability;
- allowances for doubtful accounts on accounts receivable and pledges receivable;
- the estimated useful life of capital assets and their corresponding amortization rates and methods;
- the determination of whether the Foundation is an Agent or Principal under contribution agreements; and
- as disclosed in note 2, the determination that the Foundation is required to report under PSAS represents a significant judgment in the preparation of these financial statements.

Prior to December 2025, pursuant to the Province of Alberta Regional Health Authorities Act, Section 23(1)(n), the Alberta Cancer Foundation Regulation 70/2009, the Foundation was considered to be controlled by the Government of Alberta, as the Regional Health Authority had the authority to appoint all members of the Foundation's Board of Trustees. In December 2025, this requirement was amended under the Health and Hospital Foundations Regulation, such that Health Shared Services Provincial Health Corporation was thereafter able to appoint only one Trustee. As a result, judgment was required as at March 31, 2026 to determine whether the Foundation continued to be controlled by a government organization.

Management has concluded that the Foundation remains controlled by the Government of Alberta as at March 31, 2026. This conclusion is based on the fact that the Board of Trustees in place at year-end continued to consist of individuals originally appointed by the Regional Health Authority.

Until such time as a sufficient period has elapsed to allow the Foundation to review the composition of its Board of Trustees, management has determined that the Foundation remains a government-controlled entity and that the application of PSAS continues to be appropriate. This assessment may change in a future fiscal year. Should it be determined that government control no longer exists, the Foundation would adopt ASNPO in the period in which that change occurs.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

3. Restricted cash:

Restricted cash was comprised of the following:

	2026		2025	
Gaming	\$	7,769,870	\$	7,611,365
Amounts held as an Agent for third parties (note 7)		2,526,796		-
	\$	10,296,666	\$	7,611,365

Gaming cash is presented as restricted cash, as its use is governed by Alberta Gaming, Liquor and Cannabis regulations and is restricted to approved gaming-related purposes.

4. Pledges receivable:

	2026		2025	
Externally Restricted - Campaign	\$	1,360,000	\$	1,360,000
	\$	1,360,000	\$	1,360,000

The Foundation has gift agreements from individual or corporate donors who have committed to donate in the future to support specific programs. The Foundation regularly consults with donors to either receive their pledged gift or reaffirm their intent to fulfill their future commitments.

As at March 31, 2026, the Foundation had the following commitments outstanding from donors which were not recognized in the financial statements:

	Unrestricted	Externally Restricted	Externally Restricted Campaign	2026 Total
Year ended March 31:				
2026 (past due)	\$ -	\$ 634,000	\$ 400,000	\$ 1,034,000
2027		678,335	3,291,238	3,969,573
2028		528,000	2,547,438	3,075,438
2029		368,000	1,370,000	1,738,000
2030		227,000	1,360,000	1,587,000
2031		12,000	1,360,000	1,372,000
2032 and thereafter		2,000	2,720,000	2,722,000
	\$ -	\$ 2,449,335	\$ 13,048,676	\$ 15,498,011

Certain of the 2026 and 2027 pledges receivable have not been recognized as revenue and receivables in the 2026 fiscal year as their collectability was not reasonably assured.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

5. Investments:

	2026		2025	
	Fair value	Cost	Fair value	Cost
Cash	\$ 608	\$ 608	\$ 75,000,005	\$ 75,000,005
Level 1 Equity Instruments	-	-	-	-
Level 2 Designated Fair Value Instruments:				
Pooled equity funds - Canadian	99,558,154	101,889,407	96,033,653	97,602,589
Pooled equity funds - US	-	5,000	4,814	5,383
Pooled equity funds - Global	9,482,481	8,938,239	10,144,462	9,390,112
Pooled fixed income funds	99,957,316	104,583,996	57,480,539	59,835,373
Money market funds	63,631,771	63,631,771	8,194,634	8,194,634
Total portfolio investments	\$ 272,630,330	\$ 279,049,021	\$ 246,858,107	\$ 250,028,096
Guaranteed investment certificates (GIC's)				
Maturing November, 2025 bearing interest at 5.44%	-	-	10,000,000	10,000,000
Maturing February, 2026 bearing interest at 4.87%	-	-	7,000,000	7,000,000
Maturing February, 2027 bearing interest at 4.75%	6,000,000	6,000,000	6,000,000	6,000,000
Maturing June, 2025 bearing interest at 4.65%	-	-	5,000,000	5,000,000
Prime-linked redeemable	-	-	12,000,000	12,000,000
Total GIC's	\$ 6,000,000	\$ 6,000,000	\$ 40,000,000	\$ 40,000,000
Level 3				
Other investments	\$ 557,560	\$ 557,560	\$ 575,040	\$ 575,040
Total investments	\$ 279,187,890	\$ 285,606,581	\$ 287,433,147	\$ 290,603,136
Investment consists of:				
Short-term investments	\$ 6,000,000	\$ -	\$ 34,000,000	\$ -
Long-term investments	\$ 273,187,890	\$ -	\$ 253,433,147	\$ -

The current portion of investments include guaranteed investment certificates maturing in the next fiscal year. As at March 31, 2026, accounts receivable included \$623,806 (2025 - \$1,982,347) in accrued interest related to the guaranteed investment certificates.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

5. Investments (continued):

The Foundation is subject to various risks related to its investment holdings (see note 16). The Foundation has established asset mix policies to balance optimal financial returns with an acceptable level of risk. Per the Foundation's investment policy, the Endowment portfolio allocates 30% to 60% to fixed income instruments, 0% to 10% to short-term paper, and 30% to 70% to equity instruments. The Reserve portfolio, which consists primarily of operating funds and externally restricted funds, allocates 60% to cash or money market funds and 40% to bonds or fixed income funds. Risk is reduced through asset class diversification, further diversification within each asset class and quality constraints.

Treasury bills and guaranteed investment certificates, bonds and debentures are managed with the objective of providing optimal returns while maintaining maximum security of capital. Bonds represent high quality fixed income securities. Risk is reduced through the exclusion of investment purchases below investment grade. The bond portfolio holds a maximum of 30% in BBB-rated bonds, a minimum of 40% in government bonds, a maximum of 5% to any single corporate bond issuer and a maximum of 10% in foreign securities.

Other investments are Level 3 investments in private entities that are not quoted in an open market and are carried at cost.

6. Capital assets:

	2026		
	Cost	Accumulated amortization	Net book value
Leasehold improvements	\$ -	\$ -	\$ -
Furniture, equipment and donor recognition	845,092	834,842	10,250
Computer software	281,052	192,052	89,000
	<u>\$ 1,126,144</u>	<u>\$ 1,026,894</u>	<u>\$ 99,250</u>
	2025		
	Cost	Accumulated amortization	Net book value
Leasehold improvements	\$ 23,036	\$ 23,036	\$ -
Furniture, equipment and donor recognition	2,478,844	830,461	1,648,383
Computer software	281,052	135,842	145,210
	<u>\$ 2,782,932</u>	<u>\$ 989,339</u>	<u>\$ 1,793,593</u>

During the year ended March 31, 2026, it was determined that certain donor walls purchased by the Foundation in previous years were not a controlled asset of the Foundation. As such, the Foundation derecognized assets with a carrying value of \$1,653,752 to Foundation operations.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

7. Amounts held as an Agent for third parties:

During the year, the Foundation received \$3,000,000 (2025 - \$nil) related to an Agreement with His Majesty in Right of Alberta (GoA) to administer funding for oncology projects in Alberta. In accordance with PSAS 3400, the Foundation has not recognized these funds as revenue because it does not control the resources and bears no significant risks or rewards. Amounts received are recorded as liabilities until disbursed and are held in a segregated interest-bearing bank account (note 3). Management has concluded that they are an Agent in administering the agreement. As at March 31, 2026 there was \$2,526,796 held under this agreement.

During the year, the Foundation recognized management fees of \$495,000 (2025 - \$nil) related to the administration of the funds.

8. Fund balances:

Fund balances consist of the following:

Externally Restricted Fund

Externally restricted fund represents contributions received for the following purposes, which had not been spent at year-end:

	2026	2025
Restricted for future charitable disbursements		
Restricted to general cancer care & research	\$ 53,124,394	\$ 64,069,225
Restricted to We Cross Cancer campaign	9,426,075	15,161,381
Restricted to OWN Cancer campaign	39,086,502	34,789,721
Endowment Fund:		
External endowments, expendable portion	46,245,938	41,915,486
Total externally restricted fund	\$ 147,882,909	\$ 155,935,813

Internally Restricted - Alberta Cancer Foundation Fund ("ACF Fund")

The internally restricted ACF Fund was established by the Trustees in 2024. The ACF fund is not available for other purposes without approval of the Trustees.

	2026	2025
Balance, beginning of year	\$ 54,599,433	\$ 45,787,241
Trustee approved transfer of unrestricted funds	7,000,000	8,812,192
Funds disbursed on high impact projects	(2,363,388)	-
Total ACF Fund	\$ 59,236,045	\$ 54,599,433

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

8. Fund balances (continued):

The purpose of the ACF Fund is to ensure that funds are allocated to support the long-term strategic goals of the Foundation. The ACF Fund is specifically designated to support three key organizational priorities: Financial Sustainability, Core Programs, and High Impact Projects.

Endowment Fund

	2026	2025
Cancer research	\$ 56,720,629	\$ 57,438,944
Arthur J.E. Child Comprehensive Cancer Centre	30,000,000	30,000,000
Other	1,997,295	1,952,237
Total endowment fund	\$ 88,717,924	\$ 89,391,181

9. Lottery:

During the year, the Foundation held the Alberta Cancer Foundation Lottery, 50/50 and the Win Daily Cash Lottery. The financial results of the lotteries were as follows:

	2026	2025
Revenues	\$ 10,868,375	\$ 10,236,225
Expenditures:		
Prizes	4,202,805	4,209,668
Marketing and other	3,187,111	2,992,199
	7,389,916	7,201,867
Excess of revenues over expenditures	\$ 3,478,459	\$ 3,034,358

10. Investment and other income:

	2026	2025
Operations:		
Interest and dividends	\$ 14,069,545	\$ 12,186,741
Realized investment gains (losses), reclassified to the statement of operations	(155,735)	18,143,103
Realized investment gains during the year	614,141	4,007,485
Other income	8	1,479
	\$ 14,527,959	\$ 34,338,808

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

11. Related party transactions:

The following related party transactions have been recorded in the financial statements. These transactions occurred normal course of business and have been recorded at their exchange amount.

Charitable disbursements, net of amounts returned during the year:

	2026	2025
Provincial Health Agencies	\$ 27,971,014	\$ 24,203,368
University of Calgary	11,656,816	10,036,913
University of Alberta	4,074,171	4,837,642
	\$ 43,702,001	\$ 39,077,923

These amounts were disbursed as directed by the Foundation in accordance with donor designation or, where the disbursements were made from unrestricted funds, as directed by the Trustees. Amounts disbursed to Provincial Health Agencies include Alberta Health Services ("AHS"), Health Shared Services, and Primary Care Alberta.

2026 expenditures included \$8,792,372 (2025 - \$8,146,471) that were processed by related parties on behalf of the Foundation.

Certain materials and services are contributed by Health Shared Services (formerly AHS) in support of the Foundation's operations. These materials and services are provided without charge, and include:

Human Resources (HR) Support Services:

- Payroll management and processing
- General HR support and consultation
- Health benefit & pension management

Information Technology (IT) Support Services:

- Access to IT applications and licenses
- Network support and connectivity
- File storage
- Supply of technological assets, including computers, printers, and phones
- Cyber security support and measures
- General IT support and consultation

Other:

- Insurance coverage
- Access to intranet and learning resources
- Accounts payable processing for invoices denominated in a foreign currency.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

11. Related party transactions (continued):

These materials and services are not recorded in these financial statements as the value of the services were not readily determinable. The value of these materials and services does not vary substantially from year to year.

As at March 31, 2026 the Foundation had amounts due to AHS of \$782,423 (2025 - \$676,788), and amounts due to the University of Calgary of \$2,500,000 (2025 - \$nil)

Refer to note 7 for details of related party transactions arising from the Agency relationship with the Government of Alberta.

Related parties also include key management personnel ("KMP") of the Foundation. KMP includes individuals who are part of the governing body with authority over planning, directing and controlling the activities of the Foundation. In addition, KMP include employees with day-to-day responsibility over activities and operations. KMP of the Foundation include the Trustees and members of the senior management team. Related party transactions with KMP consist of compensation related payments to employees. These are considered to be routine employment transactions.

12. Future charitable disbursements:

As at March 31, 2026, the Foundation has forecasted the following future charitable disbursements, due within the next 5 years:

2027	2028	2029	2030	2031	Total
\$ 21,989,576	\$ 6,919,386	\$ 4,064,757	\$ 2,895,000	\$ 5,660,000	\$ 41,528,719

The Foundation has additionally forecasted \$20,419,686 (2025 - \$23,720,560) of future charitable disbursements beginning in fiscal 2027 for which the disbursement schedule is unknown.

13. Commitments:

The Foundation has entered into operating leases for the rental of its office spaces. Future minimum lease payments under the operating leases are as follows:

2027	\$	226,805
2028		56,511
2029		56,511
2030		61,223
2031		61,812
Thereafter		6,868
	\$	469,730

The Foundation is also responsible for its portion of operating costs related to office space.

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

14. Contingencies:

In the normal course of operations, the Foundation is party to various claims and legal proceedings. When the resolution of the claims and legal proceedings cannot be determined with certainty, they are not recorded in the financial position or results of operations of the Foundation. The financial impact is recognized in the year in which the action is resolved or can be reasonably determined. Management does not believe the pending matters will have a material impact on the Foundation and, where appropriate, provisions for possible losses have been made in these financial statements.

15. Additional information to comply with the disclosure requirement of the Charitable Fund Raising Act and Regulation:

In 2026, \$3,949,160 (2025 - \$3,617,779) was paid as remuneration to employees whose principal duties involve fundraising. \$2,351,167 (2025 - \$2,211,083) was paid to fundraising businesses.

16. Financial risk management:

Market risk

The Foundation is exposed to market risks associated with its financial instruments. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Unless noted below, these financial risks are consistent with the previous year.

Market risk comprises three types of risk: price risk, interest rate risk and currency risk. To manage these risks, the Foundation has established a target mix of investment types designated to achieve the optimum return with reasonable risk tolerance (see note 5).

Price risk

The Foundation is exposed to price risk as the fair value of equity instruments held may be subject to change due to fluctuations in market prices. If the Foundation's equity investments declined by 1%, the accumulated remeasurement gains would decrease by \$1,090,406 (2025 - \$1,061,829).

Interest rate risk

The Foundation is exposed to interest rate risk with respect to its fixed income investments. These investments may be impacted by market changes in interest rates. A 1% change in interest rates would have the following impact on market values:

	2026	2025
Increase in interest rate	\$ (5,128,572)	\$ (3,787,967)
Decrease in interest rate	\$ 5,711,684	\$ 4,276,552

ALBERTA CANCER FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2026

16. Financial risk management (continued):

Market risk (continued)

Currency risk

The risk to the Foundation that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates is not significant. The foreign denominated cash on hand is minimal. The Foundation is exposed to changes in the value of its US and Global pooled equity funds attributable to fluctuations in foreign currency.

Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Foundation assesses, on a continuous basis, its accounts receivable and pledges receivable and provides for any amounts that are not collectible in an allowance for doubtful accounts. The maximum exposure to credit risk of the Foundation is the carrying value of these assets. No allowance for doubtful accounts (2025 - \$nil) has been recorded as at March 31, 2026 as management believes these balances will be collected in full.

Liquidity risk

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost under both normal and stressed conditions. The Foundation manages its liquidity risk by monitoring its operating requirements. The Foundation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

17. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.

ALBERTA CANCER FOUNDATION

Schedule 1: Additional Fund Activities

Year ended March 31, 2026

Fund activities are comprised of the following:

	General	Cancer Care and Research	Endowment	2026 Total	2025 Total
Revenues:					
Donations and contributions	\$ 10,317,842	\$ 23,570,923	\$ 157,367	\$ 34,046,132	\$ 29,150,518
Campaign donations and contributions	-	11,990,466	-	11,990,466	30,308,614
Sponsorships and registrations	11,000	2,106,625	6,500	2,124,125	1,584,608
Lottery	-	10,868,375	-	10,868,375	10,236,225
Grants	-	-	-	-	75,000
Management fees	-	495,000	-	495,000	-
Investment and other income:					
Operations	7,269,734	179,289	7,078,936	14,527,959	34,338,808
	17,598,576	49,210,678	7,242,803	74,052,057	105,693,773
Expenditures:					
Charitable disbursements:					
Core programs	-	7,836,538	552,238	8,388,776	7,381,404
Other cancer care and research	2,500	38,188,788	2,398,844	40,590,132	47,803,210
Charitable Expense	-	1,092,113	-	1,092,113	322,490
	2,500	47,117,439	2,951,082	50,071,021	55,507,104
Direct fundraising costs	5,253,912	9,905,095	-	15,159,007	12,335,838
Lottery	-	7,389,916	-	7,389,916	7,201,867
Foundation operations	5,961,612	-	265,232	6,226,844	6,394,573
	11,218,024	64,412,450	3,216,314	78,846,788	81,439,382
Excess of revenues over expenditures	\$ 6,380,552	\$ (15,201,772)	\$ 4,026,489	\$ (4,794,731)	\$ 24,254,391

ALBERTA CANCER FOUNDATION

Schedule 1: Additional Fund Activities (continued)

Year ended March 31, 2026

Schedule 1 is prepared on a fund basis to reflect the total activity of individual fund accounts for internal and donor reporting purposes.

Fund definitions:

(i) General Fund

Includes resources available for immediate purposes and accounts for the Foundation's general fundraising and administrative activities and the Foundation's capital assets.

(ii) Cancer Care and Research Fund

The purpose of these funds are for cancer research, prevention and screening initiatives, as well as patient care and support, education and equipment. This fund includes externally restricted resources to be used for an identified purpose as specified by the donor or by fundraising initiatives or internally restricted resources to be used for an identified purpose as determined by the Board of Trustees.

(iii) Endowment Fund

Includes those funds where either the donor or the Board of Trustees have stipulated that the principal investment be maintained by the Foundation on a permanent or term basis and investment income subject to restrictions stipulating that it be either added to the principal amount of the endowment or to be expended for an identified purpose as specified by the donor. While investment income and related expenses are recorded in the Externally Restricted Fund on the Statement of Operations to reflect the nature of the restrictions, they are presented within the Endowment Fund column in Schedule 1 to provide a comprehensive view of total fund performance and activity.